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Before the
FEDERAL COMMUNICATIONS COMMISSION
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

CC Docket No. 94-54

Interconnection and Resale Obligations
Pertaining to
Commercial Mobile Radio Services

Comments of Meretel Communications, L.P.

Meretel Communications, L.P., hereinafter referred to as "Meretel," through its general partner Wireless Management Corporation and undersigned counsel, responds to a request by the Federal Communications Commission ("FCC") for additional comment on automatic roaming proposals for cellular, broadband PCS, and covered SMR networks. Meretel submits that automatic roaming is essential to the survival of C-Block licensees who are attempting to compete against other wireless-cellular providers who have larger service areas, who have been in the market for a longer period of time, and who have the financial wherewithal to negotiate relatively low roaming rates. Meretel's various experiences with negotiating roaming arrangements with cellular carriers within and beyond our service area demonstrate that some intervention by the FCC is necessary to reaffirm Congress's intent to foster competition by providing preferences to Designated Entities. Meretel and other C-Block licensees are currently unable to effectively compete without some assistance from this Commission. Meretel respectfully requests that the Federal Communications Commission impose affirmative obligations on wireless-cellular carriers to provide automatic roaming to other compatible wireless-cellular providers.

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I. UNIQUENESS OF C-BLOCK LICENSEES JUSTIFIES AUTOMATIC ROAMING

C-Block licensees are attempting to compete in a market penetrated by incumbent cellular providers and large A-Block and B-Block PCS licensees. Many cellular carriers have had more than ten years to establish roaming arrangements and expanded coverage areas. Large A-Block and B-Block PCS licensees are also at a competitive advantage. Unlike many of the A-Block and B-Block licensees, most "Designated Entities" do not currently have a large wireless subscriber base or a potential subscriber base. Therefore, these Designated Entities are less able to negotiate favorable terms and conditions for service based on volume discounts. Additionally, C-Block licensees are desperately in need of roaming arrangements in urban areas since so many of their BTAs are in rural areas. Because of the timing of the auctions, A-Block and B-Block licensees were able to obtain financing first, negotiate with manufacturers first, and obtain cell sites first. C-Block licensees were at a competitive disadvantage at the onset due to the timing of the auctions and exorbitant prices paid for the licenses, and continue to be at a disadvantage due to the difficulties faced when attempting to negotiate roaming agreements.

C-Block licensees also face the challenge of entering a marketplace with smaller service areas. C-Block licensees are granted licenses based on Basic Trading Areas ("BTAs"), rather than the larger Metropolitan Trading Areas ("MTAs"). C-Block licensees are at a competitive disadvantage when consumers compare the service areas and rates that other wireless-cellular providers can offer. This is primarily due to the limited coverage areas and less attractive roaming arrangements C-Block licensees are able offer to consumers. Additionally, it follows that licensees with MTAs would be reluctant to enter into reciprocal roaming arrangements with carriers who have BTAs when they can enter into agreements with licensees in the same area with larger MTAs. This myriad of problems is magnified because of the limited number of C-Block licensees who are actually operational. The C-Block licensees face competitive obstacles

at every turn. Therefore, the FCC should encourage competition by establishing some affirmative obligation for automatic roaming at reasonable and equitable rates for all wireless-cellular providers.

II. AUTOMATIC ROAMING SHOULD INCLUDE LOCAL SERVICE AREAS.


Automatic roaming should allow consumers to roam in all areas, including in the subscriber's own local service area. Again the limited service area size of C-Block licensees necessitates that subscribers be allowed to roam in areas close to or within their own service area. Meretel has attempted to negotiate with cellular carriers providing service in its home coverage area. However, these incumbent cellular providers have been unwilling to negotiate for roaming arrangements within Meretel's BTA, arguing that Meretel has no incentive to build out its own network if roaming arrangements are established in its service area.

The fallacy in this argument is apparent when the realities of these roaming arrangements are analyzed. The wireless-cellular provider who allows the subscriber of another wireless-cellular carrier to roam on its network receives revenue that it would not otherwise receive without the roaming traffic. The investment has already been made by the wireless-cellular provider who provides the roaming. The subscriber's provider has every incentive to construct its own sites to ensure high quality service to its subscribers. During the interim phase and in areas outside of Meretel's own BTAs, the provider allowing roaming does not suffer a loss by permitting such roaming. The end result though of not allowing roaming within a provider's own BTAs is that competition is stifled. If a C-Block wireless-cellular carrier is not able to negotiate a fair and reasonable roaming arrangement, subscribers are less likely to select that provider. Congress's intent in fostering competition is best served by requiring automatic roaming for wireless-cellular providers.

IV. CONCLUSION

Meretel recognizes that other wireless-cellular providers should be compensated for use of their network. Meretel is more than willing to pay a reasonable price for such use. However, other wireless-cellular providers have been unwilling to negotiate fairly to establish roaming arrangements with Meretel. Meretel respectfully requests that the FCC establish an affirmative obligation for wireless-cellular providers to offer automatic roaming. By imposing such an obligation, the FCC has the opportunity to fulfill Congress's intent of providing Designated Entities the ability to effectively compete by requiring wireless-cellular carriers to offer roaming on their entire network at rates comparable to those offered to competing carriers.

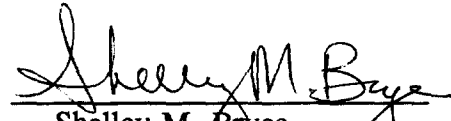
Respectfully Submitted,


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CERTIFICATE OF SERVICE

I, Shelley M. Bryce, of Kraskin, Lesse & Cosson, LLP, 2120 L Street, NW, Suite 520, Washington, DC 20037, hereby certify that a copy of the foregoing "Comments of Meretel Communications, LP was served on this 5th day of January 1998, by hand delivery to the following parties:


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